



MEMO: 0687-07

MEMORANDUM

TO: All Option Members, Member Organizations & ROTs
FROM: Market Watch
DATE: March 19, 2007
RE: **Upcoming change in the PHLX Gold/Silver SectorSM (XAUSM)**

The Philadelphia Stock Exchange, Inc. (“PHLX”) has received notification that the merger between Phelps Dodge (PD) and Freeport-McMoran Copper & Gold (FCX) became effective on Monday, March 19, 2007. As a result, there will be a change in the outstanding share amounts in Freeport-McMoran Copper & Gold (FCX).

The PHLX has determined to apply the following changes to the XAU Index on **Tuesday, March 20, 2007:**

| <u>Issue:</u> | <u>Outstanding Shares (000s):</u> |
|---|-----------------------------------|
| Freeport-McMoran Copper & Gold (FCX) | 333,831 |
| The revised XAUSM divisor is: | 1,024,293 |

Questions concerning this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2 or (215) 496-5380.